

CITY OF MUSKEGON
PLANNING COMMISSION
REGULAR MEETING
MINUTES

October 11, 2018

Chairperson T. Michalski called the meeting to order at 4:00 p.m. and roll was taken.

MEMBERS PRESENT: T. Michalski, J. Montgomery-Keast, B. Mazade, B. Larson, M. Hovey-Wright, S. Gawron, J. Doyle, F. Peterson

MEMBERS ABSENT: E. Hood, excused

STAFF PRESENT: M. Franzak, D. Renkenberger

OTHERS PRESENT: S. Musselman, Sand Products; J. Hibler, Hibler Design Co; R. Schneider, AE Com; G. Roberts, 3340 Wilcox; P. Abbot, 3256 Thompson Ave; D. Gaynor, 1680 W Harbour Towne Cir; B. Lautenbach, 1616 E Harbour Towne Cir; J. Pena, Walnut; Mrs. Wallis, 1854 Cherry; S. Gaynor, 1604 W Harbour Towne Cir; J. Siminski, 1500 W Harbour Towne Cir; K. Moore, 1695 Edgewater; R. Villate, 1872 Walnut; N. Hulka, Country Club Dr; B. Zulauf, 3440 Pigeon Hill Ct; C. Willis, 2066 Knollwood; D. Vanderkolk, 3703 Watson; J. Tomczak, 3560 Woodlawn Ct.

APPROVAL OF MINUTES

A motion to approve the Minutes of the regular Planning Commission meeting of September 13, 2018 was made by B. Larson, supported by S. Gawron and unanimously approved.

PUBLIC HEARINGS

Hearing, Case 2018-28: Request for preliminary Planned Unit Development (PUD) approval for a mixed-use development at 3400, 3460, 3474 Wilcox Ave, 1875 Waterworks Rd and 1490 Edgewater St, by MiCOAST Properties, LLC. M. Franzak presented the staff report. All of the subject properties are zoned single family residential. A PUD is required to allow a mixture of residential and recreational uses, and flexibility on lot size and setback requirements. Although setbacks are not currently defined, it is anticipated that they will be smaller than the city's requirements for R-1 districts and more closely aligned with the density of R-3 districts. Some of the lot sizes may also be smaller than required in R-1 districts. Using the density formula defined in the zoning ordinance, the density of this development would be 280 units within 40.53 net developable acres (6.9 units per acre). This is less than the 7 units per acre that has historically been allowed in R-1 districts, the city's least-dense zoning designation. A chart was provided in the staff report showing the net developable acreage and how many homes could be developed using the current zoning designations of R-1 (37.21 acres in this plan) and R-3 (3.32 acres in this

plan) without a PUD; 318 units would be allowed. The proposed PUD was only requesting 280 units.

The plan proposed three ingress/egress points to the development. The main entrance would be a new road at the intersection of Wilcox and Plum that would traverse over the dune. This road has already received a MDEQ Critical Dune permit. The other two access points to the development were on Harbour Towne Circle and Edgewater St, and were proposed to be gated and only used in case of emergency. The 12-acre boat basin would be created from excavating existing land, and would vary in width from 150 to 400 feet. It would contain a variety of shoreline conditions from natural marsh to stone and hard seawall, allowing a variety of uses. One mile of new waterfront would be created, of which about half would be publicly accessible. Residents would have options of over-water decks, docks and boathouses. This basin would require a permit from the Army Corps of Engineers and the MDEQ. Common amenities in the development included a community building, fitness center, pool, boardwalks, bike lanes, parks, trails, pickleball courts and a kayak launch. The plan proposed a majority of the residential units to be detached; however, some attached units would be located throughout the development and could be up to two stories in height. Live/work homes were proposed on the former Bluffton School property, and there was a proposed condo building that would host 25-30 units in a four-story building. All buildings would be set back at least 50 feet from the Harbour Towne development. A traffic study and hydrology study were in process and no structures were proposed in critical dune areas.

The City's Master Land Use Plan calls for a multi-family residential PUD at this location. The sub-area plan for this location also notes that, when compared to the Lake Michigan side and the area of the Muskegon Lake channel, the opportunity for public access to the Muskegon Lake shoreline is limited. The creation of a new mile of shoreline, half of which would be publicly accessible, creates a solution to this problem. The Imagine Muskegon Lake Plan also recommended residential development at this location. The plan notes that there are opportunities for new housing to maximize view corridors, supporting the City's tax base and enabling growth in areas with high demand. Access to both Muskegon Lake and Lake Michigan offers residents two different waterfront experiences. Staff recommends approval of the Preliminary PUD because it is consistent with the Master Land Use Plan and it meets the PUD requirements in sections 403 and 2101 of the Zoning Ordinance. Staff suggests the following recommendations be implemented in the Final PUD submission: 1) Road connections at Edgewater and Harbour Towne Circle will not be gated; 2) Additional road connections shall be made to the fullest extent possible. The map below shows the proposed road connections in this plan in red and the additional staff-requested connections in yellow. Road connections at these locations should extend to the property lines; and 3) The parking lot north of the condo building should be more separated from the existing homes. The setback should be increased and it should be fully screened with trees. A number of comments from residents were received by e-mail and were distributed to Planning Commission members. Letters of concern were received from Charron Law Office on behalf of the Harbour Towne Marina Association, S. Woodard; T. Weatherbee, 1747 Edgewater St; P. Schreur, 1642 E Harbour Towne Cir; K. Moore, 1695 Edgewater St; B. and M. Lautenbach, 1616 E Harbour Towne Cir; G. Hall; T. Feldt, 3423 Pigeon Hill Ct; and M. and G. Burye, 3380 Wilcox. E-mail correspondence was received from K. Beteta, 3281 Lakeshore Dr; R. Cunningham, 3385 Plum Ave; J. Euscher; C. Grekowicz, marina slip owner; D. Hoople, 1581 Edgewater St; P. Sartorius, 1575 Edgewater St; D. Schirmann, 3213 Windward Dr; K. Spencer, 1456 E Harbour Towne Cir; and T. Zehner, 1653 E Harbour Towne Cir, also discussing concerns with the development. L.

Page of the Pigeon Hill Alliance wrote that they were opposed to the proposed road going over the critical dune area and had filed an appeal on that decision with the MDEQ. He asked that no action on the request be taken until the appeal was settled. T. and J. Voyt, 1760 Edgewater wrote that they objected only to the additional traffic on Edgewater St, and E. Fritz, 4013 Applewood Ln, submitted comments in favor of the project. C. & B. Broughton, 1650 Edgewater, submitted a letter to the board thanking the property owner for decades of public access to their property, and listing their concerns with the PUD proposal. M. Franzak reminded the audience that this request was for approval of a preliminary plan only, and as such, would only be heard by the Planning Commission, not the City Commission. He explained the requirements of a preliminary PUD and stated that the proposed plan appeared to meet all necessary requirements. A preliminary traffic study from AECOM of Grand Rapids had been received and was provided to board members.

Board members discussed the proposal with staff. B. Mazade referenced the map in the staff report showing 6 possible entrance/exit points to the development; he was concerned with the one showing Harbour Towne Circle connecting to one of the rear lanes/alleys in the new development and asked M. Franzak to explain the need for those. M. Franzak stated that connectivity, including access points, was important in all developments, and the Engineering Department had made those recommendations. B. Mazade had questions about connectivity and how the connections would be made. M. Franzak stated that the Fire Department required a minimum of 2 ingress/egress points, and other proposed locations left the potential for future connections if needed. B. Larson observed that, in reviewing the letters from area residents, the main concerns seemed to be ecology, traffic, wildlife impact, density, and the ability of Edgewater St. to support the additional traffic. M. Hovey-Wright asked why the connection point off Woodlawn Ct was not considered in the options shown, and if extending Nelson St had been considered. M. Franzak stated that the area off Woodlawn Ct was in a critical dune area and wasn't something the developers had requested. He stated that the topography at the end of Nelson St was not suitable for a road. J. Doyle asked M. Franzak to explain the scope of the traffic study. M. Franzak stated that a representative of AECOM, the Grand Rapids firm who conducted the study, was present and could answer those questions. T. Michalski asked who owned Harbour Towne Marina and if the developers on this project obtained a permit to use the channel. M. Franzak stated that water rights were riparian rights, not ownership rights.

S. Musselman represented MiCoast Development, which was the real estate arm of Sand Products Corp, the property owner. He stated that they were given an easement across the dune to develop this property back in 1991. J. Hibler of Hibler Design Co. stated that the proposed design was rooted in traditional neighborhood design, and their research of the City's Master Plan showed that this type of development was encouraged. The streets were similar in size to the existing neighborhoods in the area, and provided for parallel parking, green space, and trees to encourage walkability. Private parking was accessible by rear lanes behind the homes, with other parking areas available throughout the development. He explained other types of structures in addition to single family homes, including boat houses, private docks, townhomes, condominiums, and boat garages. There were also plans for parks, wetland areas, and neighborhood amenities such as a playground and marina. Building design would be controlled via architectural standards, ensuring that buildings were in keeping with the existing neighborhood and lakefront living. B. Mazade asked what type of buildings were planning for the area near Wilcox St. J. Hibler stated that along that critical dune area they planned to have 3-story townhouses, and explained the design. B. Mazade asked why the connection point at Harbour Towne Circle and Edgewater St. was not

shown on their renderings, and who owned the property where the connections were proposed. J. Hibler stated that they had not yet updated their drawings based on staff's comments regarding connection points. He stated that they did not own all of the property proposed as connections points; the developer would install streets up to their property lines and city staff would work with other property owners on the connections. B. Mazade asked if other points were considered. J. Hibler stated that there was critical dune area to the south and Harbour Towne properties close by that affected where connection points could be. B. Mazade asked if they had considered any alternatives to the rear travel lanes shown on the plan, as he was concerned with those facing neighboring properties and a proposed parking lot. J. Hibler stated that they were working on one location that was very near to the rear property line of an existing residence. He stated that, as in most neighborhoods, the rear of one property would abut the rear of an adjacent property. J. Montgomery-Keast asked about enlarging the green space that butted up to properties along Edgewater St. J. Hibler stated that they wouldn't know how much green space would be available until they knew how many parking spots were needed, but if they could reduce the size of the parking lot, they would. He emphasized that this was a preliminary plan to obtain feedback so they could make adjustments to the plan based on that. While some things may be possible to do, it was up to the developer to determine if it was financially feasible. T. Michalski asked if all boat storage would be contained to garages. J. Hibler stated that all boats may not be in garages but they would follow city ordinance requirements on storage. T. Michalski asked about commercial uses such as a convenience store and ice cream parlor that were originally mentioned. J. Hibler stated that, according to current rules, commercial uses were not allowed. The only commercial component would be live/work units for small home-based businesses in selected residences. T. Michalski expressed concerns about whether area streets could support both this large development and the Windward Pointe project on the former paper mill site, as both sites would funnel traffic to Lakeshore Drive and Laketon Avenue. J. Hibler stated that having multiple connection points to and from the development would help alleviate some traffic congestion. He stated that, based on their study, the major traffic back-ups were down by the beach and they had discussed some options with city staff. J. Doyle asked what the scope of the traffic study was, when it was done, and what their findings were. R. Schneider was a Transportation Planner with AE Com in Grand Rapids, who had conducted the traffic study. He stated that they had worked closely with city staff and had made adjustments based on their feedback; he explained how they conducted the study and reached their findings. T. Michalski stated that, in his experience, traffic tended to back up at Beach St. and Lakeshore Dr. R. Schneider stated that they did not include that intersection in the study. B. Mazade asked when the traffic counts were done. R. Schneider stated that they were done on Labor Day weekend and the weekend after. J. Montgomery-Keast voiced concerns about boat traffic in the Harbour Towne channel. She stated that it was already a congested spot, and the new development would cause dangerous cross-traffic in the canals. S. Musselman stated that there would be no public marina in The Docks, but there would be a boat basin and private docks. He estimated maybe 100 boats but couldn't be sure since this was a preliminary plan. J. Montgomery-Keast stated that she would like to see a traffic study of the boat traffic. S. Musselman stated that he could look into that. B. Mazade asked M. Franzak about an ordinance requirement requiring 50% public spaces in PUD's. M. Franzak pointed out the public areas on the map in the staff report. J. Hibler confirmed that there was over 50% public access as required.

Area residents spoke about the proposal. G. Roberts asked where the displaced water and sand would go. He also had concerns about the timing of the traffic study, since it wasn't done in the area's busiest time of year—the summer months. He stated that he was not necessarily opposed to development there, but he felt this project was being rushed and he was opposed to the current plan. P. Abbott stated that he was speaking on behalf of the Pigeon Hill Alliance and read a letter from Larry Page of the PHA. Mr. Page wrote that the PHA was opposed to the road going through the critical dune and had engaged an attorney to appeal MDEQ's approval of the road. He asked that the Planning Commission take no action on the PUD application until the appeal was heard and settled. P. Abbott stated that he was also on the PHA board and discussed the history of their organization and its focus on preservation and conservation. He stated that they had filed a Freedom of Information Act request with the MDEQ regarding this development and asked the Planning Commission to consider tabling the request until they received a response from MDEQ. D. Gaynor stated that he was the President of the Harbour Towne Condominium Association (HTCA) and spoke on their behalf. They were concerned with the proposed access points and didn't think a new development should be allowed to negatively affect an existing neighborhood. They also had concerns about increased traffic flow, limited sight lines, parking, and Harbour Towne being used as a pass-through to other areas, and they believed that these issues could negatively affect their property values. He also had concerns about the traffic study. He stated that months of study were needed, not just two weekends that had experienced poor weather and were both outside the typical busy season. He stated that the HTCA looked forward to working with the city and developer on a better plan. T. Michalski reminded the audience that no one was trying to rush approval of a plan; this was for a preliminary plan that was only the first step in the approval process. The Planning Commission's responsibility was to gather information and provide input to the developer, and this was the information-gathering phase. B. Lautenbach was a Harbour Towne resident and discussed concerns about the impact on their property lines. He stated that the proposed lanes along the rear of The Docks property would generate increased pollution of traffic, noise, air and nighttime light, and he would like to see the rear lanes removed from the plan. J. Pena of 1851 Walnut submitted a list of several concerns with the proposal. He was opposed to further destruction of the sand dune and discussed other environmental concerns. Mrs. Wallis of 1854 Cherry St. was concerned with the increased traffic and the ability of the roads in the area to handle that traffic, in the condition they were in. She also questioned the timing of the traffic study. C. Brady submitted a written statement to the board outlining her concerns with the proposal. S. Gaynor stated that he was the president of the Pigeon Key Marina Association and voiced concerns about the hazards that a new channel and the addition of more boats would create in the already-congested area. He stated that, although this hearing was a preliminary plan, there were no assurances that the public's concerns would be addressed in the final plan. He too felt that the traffic study that was done was inadequate due to the time of the year and the poor weather on the weekends the study was done. J. Siminski was a Harbour Towne resident and expressed concerns about the lack of sidewalks in that development. He stated that a new development that would create additional traffic was unsafe for pedestrians. He was opposed to any access off Edgewater St. K. Moore, 1695 Edgewater, was opposed to the proposal as presented. He voiced his concerns about a new development being placed in the middle of a 100-year-old community. He also stated that Edgewater St. didn't meet the requirements for a 2-lane road, and he doubted it could handle the additional traffic. T. Michalski asked if there was a provision for a bike lane to get bicycle traffic off Lakeshore Dr. M. Franzak stated that that would be determined prior to the final plan. R. Villate, 1872 Walnut, was opposed to the proposal due in

part to the proposed access points, additional traffic, hydrologic and geologic issues. He stated that the Planning Commission should require a study to determine the effects of digging a large hole or channel into the dune property. He asked that the developer consider a lower density with less impact on the environment. N. Hulka, 3020 Country Club Dr, stated that traffic on Beach St. was increasing and it was already difficult to back out of a driveway on Lakeshore Dr. due to the curves and hills on the stretch approaching Beach St. She also felt that the traffic study was inadequate and urged Planning Commissioners to consider the concerns of the current residents of the area. B. Zulauf, 3440 Pigeon Hill Ct., requested that 3 entrance/exit points be considered as the maximum amount, as less entrances to the new development would help keep traffic down. She was opposed to having an access point through Harbour Towne. C. Willis spoke on behalf of the Beachwood/Bluffton Neighborhood Association. She was concerned with the lack of public spaces in the proposed development and stated that it seemed more like a gated community within the Beachwood/Bluffton neighborhood, which was not a good fit for that area. She also presented a letter from P. Sartorius, who was unable to attend the meeting. He discussed his expertise in the field and shared his concerns and suggestions. D. Vanderkolk was a neighborhood resident who was also opposed to the proposed development. She stated that more impact studies needed to be done, especially considering there was another large development in the works on the former paper mill property on Lakeshore Dr. She questioned the need for another development on such a pristine parcel of land. J. Tomczak stated that Muskegon's lakeshore area was one of the last untouched tourist destinations in Michigan, and that was a major reason he had chosen to live here. He stated that our water resources would draw visitors, not a new housing development. He was concerned about the environmental impact of the additional car, boat, bike, and pedestrian traffic. He would like to see this proposal denied until further study was done. C. Collins was concerned with the environmental impact of another boat basin and the impact on water levels in the area. He also didn't think that Edgewater St. could support the additional traffic. Another gentleman stated that he owned property in Harbour Towne and was opposed to the current plan; he stated that other options should be explored. The public comment portion of the meeting was closed. T. Michalski reminded the audience that the property in question was not city-owned and we could not stop development; we could only make sure it was done properly and fit in with the area. He stated that he had heard many similar comments when Harbour Towne was built. The city needed development for the tax base but it was also important to make sure that development was done right.

A motion to close the public hearing was made by J. Montgomery-Keast, supported by M. Hovey-Wright and unanimously approved.

M. Hovey-Wright stated that she lived in Harbour Towne and agreed with some of the concerns that were raised. She stated that there were some great ideas for the development but that the plan needed more work and must be good for everyone. B. Mazade stated that the development could be good for the community and the property owner had a right to develop the site. However, he stated that he wanted to see the connection points at Harbour Towne and Edgewater St. be removed, the rear lanes removed, and more information was needed on the natural green space between Edgewater St, Wilcox Ave, and Harbour Towne. J. Montgomery-Keast asked B. Mazade what the rationale was for removing the 2 egress points. B. Mazade stated that they were both located on a curve, the developer didn't own all the property necessary to complete the connection points so it was unknown whether or not that could happen, and Edgewater St. was in no condition to handle the extra traffic. J. Doyle concurred with B. Mazade and stated that he would also like

to see a boat traffic study and an environmental impact study done on the property. J. Montgomery-Keast stated that the landscape design was inappropriate for a dune area, as trees would not grow; they needed to include plants appropriate for a dune. T. Michalski stated that he was opposed to an entrance onto Edgewater St, and that the channel was not a workable scenario. He also wanted to see the bike path incorporated into the design to allow public access to the water.

B. Larson made a motion to approve the preliminary Planned Unit Development for a mixed-use development at 3400, 3460, 3474 Wilcox Ave, 1875 Waterworks Rd and 1490 Edgewater St with the recommendations listed in the staff report for the Final PUD submission as follows: 1) Road connections at Edgewater and Harbour Towne Circle will not be gated; 2) Additional road connections as noted in the staff recommendation are incorporated, and 3) The parking lot north of the condo building should be more separated from the existing homes; the setback should be increased and it should be fully screened with trees to create a buffer.

There was additional discussion on B. Larson's motion. B. Mazade stated that the motion did not adequately address the comments regarding access points, nor the rear lanes on Edgewater, Harbour Towne, and Wilcox. M. Hovey-Wright asked if it was possible to gate a public street. M. Franzak stated that it wasn't typically done, but it was possible. M. Hovey-Wright stated that the motion did not address waterway safety. T. Michalski stated that Bluffton was a unique community and he did not want to see it broken up by a main thoroughfare going through it. F. Peterson stated that there were some specific deal-breakers that were mentioned, and the developers and Planning Commissioners had heard concerns that would guide the final PUD plan. He stated that the developers now needed the opportunity to make the necessary changes and come back before the Planning Commission. B. Mazade stated that he wanted to ensure that the changes regarding road access and the rear lanes were made, by including them in the motion. He didn't think that the waterway/channel was under the planning commission's purview. B. Mazade stated that he would like to offer an amended motion to change the first two conditions of approval to state that all street connections with the exception of the dune area at Waterworks Rd. be eliminated and that the rear lanes be moved away from Wilcox, Harbour Towne, and Edgewater streets. B. Larson stated that he approved of the amended motion. J. Doyle stated that he was not comfortable supporting the plan without requiring a boat traffic study. T. Michalski stated that more information was needed before he would be comfortable approving the plan. The details of the amended motion were discussed and the motion was read back to board members for clarification. B. Mazade supported B. Larson's amended motion as follows: That that the request for preliminary Planned Unit Development approval for a mixed-use development at 3400, 3460, 3474 Wilcox Ave, 1875 Waterworks Rd and 1490 Edgewater St. be approved with the following conditions for the final PUD submission: 1) All access points shall be eliminated with the exception of the proposed road over the dunes at Waterworks Rd., 2) Additional road connections as noted in the staff recommendation are eliminated, 3) The parking lot north of the condo building should be more separated from the existing homes; The setback should be increased and it should be fully screened with trees to create a buffer, and 4) the alleys or rear lanes are eliminated along properties on Edgewater St., Wilcox Ave. and Harbour Towne. A vote was taken on the amended motion which was approved, with, J. Montgomery-Keast, B. Mazade, B. Larson, S. Gawron, and F. Peterson voting aye, and T. Michalski, M. Hovey-Wright, and J. Doyle voting nay.

NEW BUSINESS

None

OLD BUSINESS

None

OTHER

There being no further business, the meeting was adjourned at 7:00 p.m.

dr